

**Amendments to and Listing of the Claims:**

Please cancel claims 36, 39 and 44, and amend claims 1, 5, 10 and 17 as follows:

1. (currently amended) In a networked environment having a plurality of computer systems interconnected for the purpose of instantaneously transmitting and receiving data, a method for auctioning an advertisement opportunity, said method comprising the steps of:

(a) providing notification of an advertisement opportunity from a content/opportunity provider computer system, wherein said advertisement opportunity corresponds to an opportunity to transmit an advertisement to a consumer;

(b) receiving an advertisement characterization from an advertiser computer system, wherein said advertisement characterization corresponds to an advertisement;

(c) calculating a correlation factor between said advertisement characterization and said consumer in a profiler computer system;

(d) transmitting said correlation factor to said advertiser computer system; and

(e) receiving a successful bid for said advertisement opportunity at said content/opportunity provider computer system, wherein said successful bid results in the transmission of said advertisement to said consumer in said advertisement opportunity.

2. (Original) The method described in claim 1 wherein said advertisement characterization is in the form of an ad characterization vector, said consumer is represented by a consumer characterization vector, and said correlation factor in step (c) is calculated as the scalar product between said ad characterization vector and said consumer characterization vector.

3. (Original) The method described in claim 2 wherein said consumer characterization vector contains a demographic characterization of said consumer and wherein said ad characterization vector contains a demographic characterization of the target market for said advertisement.

4. (Original) The method described in claim 2 wherein said consumer characterization vector contains a product preference characterization of said consumer and wherein said ad characterization vector contains a product preference target market for said advertisement.

5. (currently amended) In a networked environment having a plurality of computer systems interconnected for the purpose of instantaneously transmitting and receiving data, a method for auctioning an advertisement opportunity, said method comprising the steps of:

(a) providing notification of an advertisement opportunity from a content/opportunity provider computer system to a plurality of computer systems representing advertisers, wherein said advertisement opportunity corresponds to an opportunity to transmit an advertisement to a consumer;

(b) receiving a plurality of advertisement characterizations from said plurality of computer systems representing advertisers, wherein each of said advertisement characterizations corresponds to an advertisement;

(c) calculating a plurality of correlation factors between said advertisement characterizations and said consumer in a profiler computer system;

(d) transmitting said correlation factors to said plurality of computer systems representing advertisers;

(e) receiving a plurality of bids for said advertisement opportunity at said content/opportunity provider computer system; and

(f) selecting a successful bid from said plurality of bids for said advertisement opportunity wherein said successful bid results in the transmission of said advertisement to said consumer in said advertisement opportunity.

6. (Original) The method described in claim 5 wherein said advertisement characterization is in the form of an ad characterization vector, said consumer is represented by a consumer characterization vector, and said correlation factor in step (c) is calculated as the scalar product between said ad characterization vector and said consumer characterization vector.

7. (Original) The method described in claim 6 wherein said consumer characterization vector contains a demographic characterization of said consumer and wherein said computer readable ad characterization vector contains a demographic characterization of the target market for said advertisement.

8. (Original) The method described in claim 6 wherein said consumer characterization vector contains a product preference characterization of said consumer and wherein said computer-readable ad characterization vector contains a product preference target market for said advertisement.

9. (Original) The method described in claim 5 wherein the selecting of said successful bid in step (f) is based on the highest bid of said plurality of bids.

10. (currently amended) A data processing system for auctioning an advertisement opportunity, said data processing system comprising:

- (a) computer processing means for processing data;
- (b) first means for transmitting an advertisement opportunity announcement wherein said advertisement opportunity announcement corresponds to an advertisement opportunity;
- (c) second means for receiving an advertisement characterization wherein said advertisement characterization corresponds to an advertisement;
- (d) third means for correlating said advertisement characterization with a consumer profile to produce a correlation result;
- (e) fourth means for transmitting said correlation result; and
- (f) fifth means for receiving a bid for said advertisement opportunity.

11. (Original) The data processing system described in claim 10 further comprising:

- (g) sixth means for determining if said bid is acceptable.

12. (Original) The data processing system described in claim 10 wherein said advertisement characterization is in the form of an ad characterization vector and wherein said consumer profile is in the form of a consumer characterization vector.

13. (Original) The data processing system described in claim 12 wherein said third means for correlating said advertisement characterization with a consumer profile to produce a correlation result calculates the said correlation result as a scalar product between said ad characterization vector and said consumer characterization vector.

14. (Original) A computer program embodied on a computer-readable medium for auctioning an advertisement opportunity, said computer program comprising:

- (a) an advertisement source code segment for receiving an advertisement characterization;
- (b) a consumer characterization code segment for receiving a unique consumer ID and retrieving a consumer characterization corresponding to said unique consumer ID;
- (c) a correlating source code segment for calculating a correlation factor between said advertisement characterization and said consumer characterization;
- (d) a transmitting source code segment for transmitting said correlation factor;
- (e) a bid receiving source code segment for receiving a bid for said opportunity;  
and
- (f) a selecting source code segment for selecting a successful bid which results in transmission of said advertisement to said consumer.

15. (Original) The computer program described in claim 14 wherein said advertisement characterization is in the form of an ad characterization vector and wherein said consumer profile is in the form of a consumer characterization vector.

16. (Original) The computer program described in claim 15 wherein said correlating source code segment calculates said correlation factor as the scalar product of said ad characterization vector and said consumer characterization vector.

17. (currently amended) A method of characterizing subscribers for subsequent targeting of advertisements, the method comprising the steps of:

(a) recording a series of subscriber viewing selections;

(b) creating a subscriber characterization based on the viewing selections and a set of heuristic rules;

(c) storing the subscriber characterization; and

(d) allowing access to the subscriber characterization to determine the applicability of an advertisement in conjunction with the sale of an advertisement opportunity.

18. (Original) A method for auctioning advertising opportunities, the method comprising:

constructing a profile of a subscriber based on activities of the subscriber;

recognizing an advertisement opportunity in a medium;

providing notification of the advertisement opportunity to advertisers;

receiving advertisement characterizations from the advertisers, wherein the advertisement characterizations characterize an associated advertisement;

determining a correlation between the advertisement characterizations and the subscriber profile;

providing the correlation to the advertisers;

receiving bids for the advertisement opportunity from the advertisers; and

selecting the winning bid.

19. (Original) The method of claim 18, wherein said receiving bids and said selecting the winning bid are conducted over the Internet.

20. (Original) The method of claim 18, further comprising:

determining a highest bid;

transmitting the highest bid to the advertisers; and

receiving additional bids from the advertisers, wherein said selecting the winning bid is performed subsequent to said determining a highest bid, said transmitting the highest bid, and said receiving additional bids.

21. (Original) The method of claim 20, wherein said determining a highest bid and said transmitting the highest bid are continually performed until said receiving additional bids does not produce additional bids.

22. (Original) The method of claim 20, wherein said receiving bids, said determining a highest bid, said transmitting the highest bid, said receiving additional bids and said selecting the winning bid are conducted over the Internet.

23. (Original) The method of claim 18, wherein the activities of the subscriber include point-of purchase transactions.

24. (Original) The method of claim 18, wherein the activities of the subscriber include television viewing transactions.

25. (Original) The method of claim 18, wherein the activities of the subscriber include Internet viewing transactions.

26. (Original) The method of claim 18, wherein said constructing a profile of a subscriber includes generating one or more subscriber characterization vectors based on one or more predetermined parameters.

27. (Original) The method of claim 18, wherein said constructing a profile of a subscriber includes characterizing the subscriber based on publicly available data.

28. (Original) The method of claim 18, wherein said constructing a profile of a subscriber includes characterizing the subscriber based on private data.



29. (Original) The method of claim 18, wherein the advertisement characterizations characterize the advertisement based on one or more predetermined parameters.

30. (Original) The method of claim 18, wherein the subscriber profile includes a demographic characterization of the subscriber, and the ad characterization includes a demographic characterization of a target market for the advertisement.

31. (Original) The method of claim 18, wherein the subscriber profile includes a product preference characterization of the subscriber, and the ad characterization includes a product preference characterization of a target market for the advertisement.

32. (Original) The method of claim 18, wherein said recognizing an opportunity is performed by the subscriber and said providing the correlation includes providing the correlation and a target price for the advertisement opportunity, the target price being inversely proportional to the correlation.

33. (Original) The method of claim 18, wherein said recognizing an opportunity is performed by a content/opportunity provider and said providing the correlation includes providing the correlation and a target price for the advertisement opportunity, the target price being directly proportional to the correlation.

34. (Original) The method of claim 32, wherein the target price is a minimum acceptable price.

35. (Original) The method of claim 18, wherein the subscriber profile and the advertisement characterization are in the form of vectors.

36. (Cancelled)

37. (Original) The method of claim 18, wherein the medium is a program stream.

38. (Original) A system for auctioning an advertisement opportunity, the system comprising:

means for determining a subscriber profile based on subscriber activities;

means for announcing an advertisement opportunity, wherein each advertisement opportunity corresponds to an opportunity to place an advertisement in a program;

means for receiving advertisement characterizations from one or more advertisers, wherein each advertisement characterization corresponds to an advertisement;

means for correlating the advertisement characterizations with the subscriber profile to produce a correlation result;

means for transmitting the correlation result to the one or more advertisers;

means for receiving a bid for the advertisement opportunity from the advertisers;

and

means for determining if the bid is acceptable.

39. (Cancelled)

40. (Original) The system of claim 38, wherein said means for determining determines the subscriber profile based on the subscriber activities including point-of-purchase transactions, television viewing transactions, and Internet viewing transactions.

41. (Original) The system of claim 38, further comprising means for setting a target price for the advertisement opportunity, wherein said means for announcing an advertisement opportunity is controlled by the subscriber and said means for transmitting the correlation result also transmits the target price, the target price being inversely proportional to the correlation results.

42. (Original) The system of claim 38, further comprising means for setting a target price for the advertisement opportunity, wherein said means for announcing an advertisement opportunity is controlled by a content/opportunity provider and said means for transmitting the correlation result also transmits the target price, the price to transmit an advertisement to a subscriber is directly proportional to the correlation results.

43. (Original) A computer program embodied on a computer-readable medium for auctioning an advertisement opportunity, the computer program comprising:

a source code segment for receiving an advertisement characterization;

a source code segment for creating subscriber profiles based on subscriber activities;

a source code segment for calculating a correlation factor between the advertisement characterization and the subscriber profile;

a source code segment for transmitting the correlation factor to one or more advertisers;

a source code segment for receiving a bid for the opportunity; and

a source code segment for selecting a successful bid which results in transmission of the advertisement to the subscriber.

44. (Cancelled)

45. (Original) The computer program of claim 43, wherein the subscriber activities include point-of-purchase transactions, television viewing transactions and Internet viewing transactions.

46. (Original) A method for auctioning a right to transmit an advertisement to a consumer, in an advertising opportunity, based on a correlation between a consumer profile and advertisement profiles, the method comprising:

receiving transaction data for the consumer;

constructing the consumer profile based on the transaction data, wherein the consumer profile characterizes the consumer;

receiving the advertisement profiles from advertisers, wherein the advertisement profiles characterize associated advertisements;

correlating the advertisement profiles and the consumer profile;

providing the results of said correlating to the advertisers;

receiving bids for the advertisement opportunity from the advertisers based on the provided results;

determining the winning bid;

transmitting notification of the winning bid to the advertiser; and

permitting the advertisement to be transmitted to the consumer in the advertisement opportunity.